

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: CHRISTMAS TREE SHOPS, LLC, <i>et al.</i> , ¹ Debtors.	Chapter 7 Case No. 23-10576 (TMH) (Jointly Administered)
GEORGE L. MILLER, in his capacity as Chapter 7 Trustee for CHRISTMAS TREE SHOPS, LLC, <i>et al.</i> , Plaintiff, v. Google LLC, Defendant.	Adv. Proc. No. 25-50852 (TMH)

**ANSWER AND AFFIRMATIVE DEFENSES OF GOOGLE LLC TO
TRUSTEE’S COMPLAINT TO AVOID AND RECOVER
TRANSFERS PURSUANT TO 11 U.S.C. §§ 547, 548 AND 550 AND
TO DISALLOW CLAIMS PURSUANT TO 11 U.S.C. § 502**

Defendant Google LLC (“**Google**” or “**Defendant**”), by and through its counsel, for its Answer to the *Complaint* [Adv. D.I. 1] filed by George L. Miller, in his capacity as Chapter 7 Trustee (the “**Trustee**”) for Christmas Tree Shops, LLC and its affiliates (the “**Debtors**”) states the following:

BACKGROUND

1. Denied. Google is without knowledge or information sufficient to form a belief as to the trust of the allegations in Paragraph 1, which are therefore denied.

¹ The Debtors in these chapter 7 cases and the last four digits of each Debtor’s U.S. tax identification number are as follows: Christmas Tree Shops, LLC (1207), Handil, LLC (1150), Handil Holdings, LLC (2891), Salkovitz Family Trust 2, LLC (8773), and Nantucket Distributing Co., LLC (1640).

2. Denied. Google is without knowledge or information sufficient to form a belief as to the trust of the allegations in Paragraph 2, which are therefore denied.

THE PARTIES

3. Denied. Google is without knowledge or information sufficient to form a belief as to the trust of the allegations in Paragraph 3, which are therefore denied.

4. Admitted.

JURISDICTION AND VENUE

5. Denied. The allegations of Paragraph 5 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 5, which are therefore denied.

6. Denied. The allegations of Paragraph 6 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 6, which are therefore denied.

7. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 7, which are therefore denied.

8. Denied. The allegations of Paragraph 8 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 8, which are therefore denied.

BASIS FOR RELIEF REQUESTED

9. Admitted in part; denied in part. The allegations of Paragraph 9 present legal

conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google admits only that the Plaintiff filed the Complaint seeking certain relief as set forth in the Complaint. Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 9, which are therefore denied.

FACTS

10. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 10, which are therefore denied.

11. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 11, which are therefore denied.

12. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 12, which are therefore denied.

13. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 13, which are therefore denied.

14. Denied. The allegations of Paragraph 14 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 14, which are therefore denied.

FIRST CLAIM FOR RELIEF **(Avoidance of Preferential Transfers—11 U.S.C. § 547)**

15. Google incorporates by reference the responses contained in all of the preceding paragraphs as if the same were set forth herein at length.

16. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 16, which are therefore denied.

17. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 17, which are therefore denied.

18. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 18, which are therefore denied.

19. Denied. The allegations of Paragraph 19 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 19, which are therefore denied.

20. Admitted in part; denied in part. Google admits only that, at certain times, Google conducted business with the Debtor on account of which such Debtor is indebted to Google. Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 20, which are therefore denied.

21. Denied. The allegations of Paragraph 21 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 21, which are therefore denied.

22. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 22, which are therefore denied.

23. Denied. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 23, which are therefore denied.

24. Denied. The allegations of Paragraph 24 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to

the truth of the balance of the allegations in Paragraph 24, which are therefore denied.

SECOND CLAIM FOR RELIEF
(For Recovery of Property—11 U.S.C. § 550)

25. Google incorporates by reference the responses contained in all of the preceding paragraphs as if the same were set forth herein at length.

26. Denied. The allegations of Paragraph 26 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 26, which are therefore denied.

27. Denied. The allegations of Paragraph 27 present legal conclusions and questions of law to be determined solely by the Court, to which no answer is required. To the extent that a response is required, Google is without knowledge or information sufficient to form a belief as to the truth of the balance of the allegations in Paragraph 27, which are therefore denied.

AFFIRMATIVE DEFENSES AND RESERVATION OF RIGHTS

FIRST AFFIRMATIVE DEFENSE

28. The relief requested in the Complaint should be denied to the extent any alleged transfer(s) were intended by the Debtor(s) and Google, to or for whose benefit such transfer(s) were made, to be a contemporaneous exchange for new value given to the Debtor(s); and was in fact a substantially contemporaneous exchange pursuant to 11 U.S.C. § 547(c)(1).

SECOND AFFIRMATIVE DEFENSE

29. The relief requested in the Complaint should be denied, pursuant to 11 U.S.C. § 547(c)(2), to the extent any alleged transfer(s) were made in payment of debts incurred by the Debtor(s) in the ordinary course of business or financial affairs of the Debtor(s) and Google, and

were made: (1) in the ordinary course of business or financial affairs of the Debtor(s) and Google, or (2) were made according to ordinary business terms.

THIRD AFFIRMATIVE DEFENSE

46. The relief requested in the Complaint should be denied, pursuant to 11 U.S.C. § 547(c)(4), to the extent Google subsequently gave new value to or for the benefit of the Debtor(s) which was not secured by an otherwise unavoidable security interest and on account of which new value the Debtor(s) did not make an otherwise avoidable transfer to or for the benefit of Google.

FOURTH AFFIRMATIVE DEFENSE

47. The relief requested in the Complaint should be denied to the extent the Debtor(s) was solvent when any alleged transfer(s) were made, and were not rendered insolvent by any of the alleged transfer(s).

FIFTH AFFIRMATIVE DEFENSE

48. The relief requested in the Complaint should be denied to the extent: (i) the Plaintiff or the Debtor(s) objected to any claim by Google, or (ii) Google has a scheduled claim, a valid proof of claim, or is entitled to an administrative claim against the estates of the Debtor(s) or any affiliated Debtor(s); and Google expressly reserves its rights to set-off any of its claims against the alleged transfer(s).

SIXTH AFFIRMATIVE DEFENSE

49. The relief requested in the Complaint should be denied, in whole or part, to the extent the transfer(s) in question are subject to the doctrine of setoff.

SEVENTH AFFIRMATIVE DEFENSE

50. The relief requested in the Complaint should be denied to the extent that Google provided reasonably equivalent value for the alleged transfer(s).

EIGHTH AFFIRMATIVE DEFENSE

51. The relief requested in the Complaint should be denied in whole or in part to the extent the transfer(s) were not made on account of an antecedent debt.

NINTH AFFIRMATIVE DEFENSE

52. The relief requested in the Complaint should be denied to the extent that the transfer(s) did not enable Google to receive more than it would have received if this case were a case under chapter 7 of the Bankruptcy Code.

RESERVATION OF DEFENSES

53. Google gives notice that it intends to rely upon any other defenses that may become available or apparent during investigation and discovery and reserves the right to assert additional defenses and affirmative defenses, as they become known through investigation and discovery.

RULE 7008 STATEMENT

54. Pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure, Google consents to the entry of a final order or judgment by the bankruptcy court.

[Remainder of Page Intentionally Left Blank.]

WHEREFORE, Defendant respectfully requests the following relief from the Court:

- (a) that the Complaint be dismissed in its entirety, with prejudice;
- (b) that any proof of claim filed by Defendant in the Debtors' bankruptcy cases be allowed and paid forthwith;
- (c) that Defendant be awarded its attorneys' fees incurred in connection herewith, as well as the costs of suit and litigation expenses; and
- (d) that Defendant have such other and further relief that this Court may deem just and proper.

Dated: June 13, 2025

Respectfully submitted,

WHITE AND WILLIAMS LLP

/s/ Michael A. Ingrassia

Michael A. Ingrassia (No. 7068)
600 North King Street, Suite 800
Wilmington, DE 19801
Phone: 302-467-4503
Fax: 302-467-4550
Email: ingrassiam@whiteandwilliams.com

-and-

James C. Vandermark
1650 Market Street, Suite 1800
Philadelphia, PA 19103
Telephone: (215) 864-6857
Email: vandermarkj@whiteandwilliams.com

Attorneys for Google LLC